# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

COMMUNITY PLANNING AND GRANTS DIVISION

REQUEST FOR PROPOSALS

PUBLIC HEARING#2

THURSDAY 05, JANUARY 2017.

## THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)



HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination, and transform the way HUD does business.



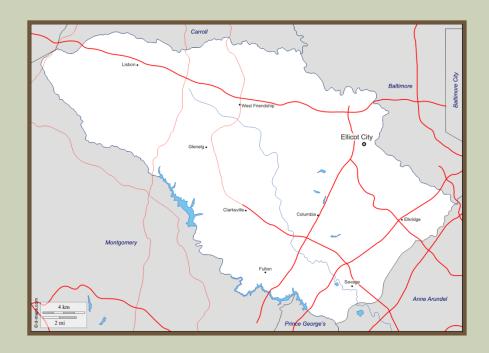
## THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

- Department of Housing and Urban Development (HUD) is the federal agency responsible for managing Entitlement funds.
- Community Planning and Development (CPD) is the program office responsible for allocating and administering these funds to local jurisdictions.
- •CPD awards over \$4billion in entitlement funds annually in CDBG, HOME, ESG and HOPWA programs.
- The CPD also awards approximately \$1.95 billion annually in homeless assistance competitive grants through the CoC Program.



#### HOWARD COUNTY'S ANNUAL ALLOCATION

- Entitlement funds are given to states, local jurisdictions, urban counties and cities
- Community Development Block Grant (CDBG) \$1.0 million
- HOME Investment Partnership Program \$300k

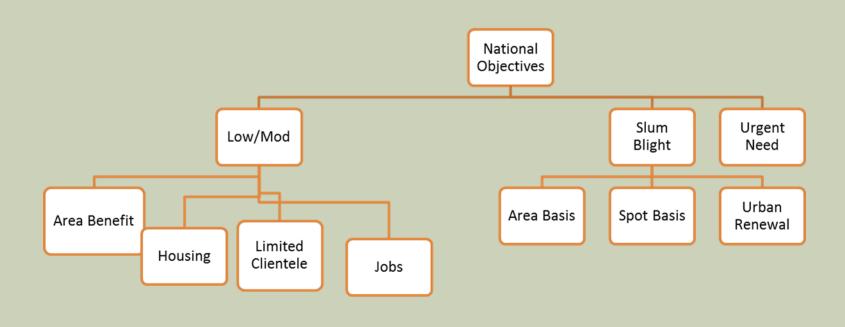


## COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS

■ Community Development Block Grant is an Entitlement Program that provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; 42 U.S.C.-5301 et seq.

#### HUD'S NATIONAL OBJECTIVES

- **■**Benefit to low- and moderate income (LMI) persons;
- •Aid in the prevention or elimination of slums or blight; and
- •Meet a need having a particular urgency (Urgent Need

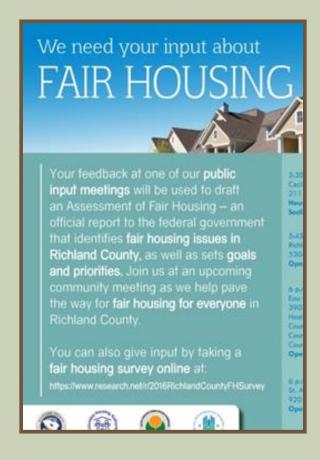


#### **USES OF CDBG FUNDS**

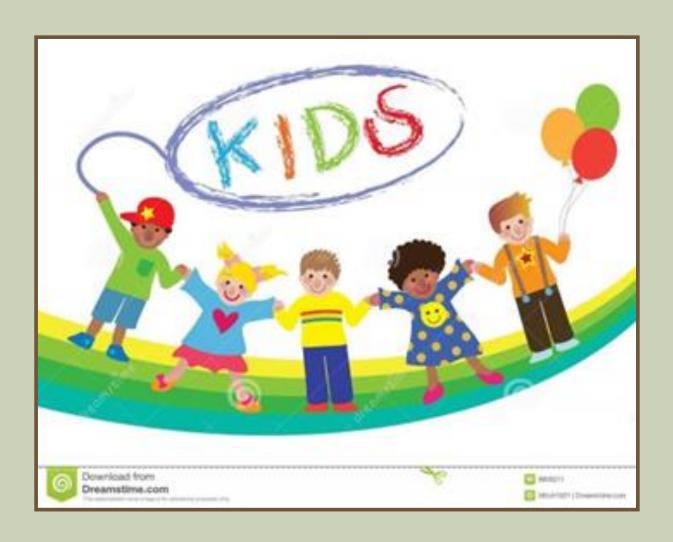
- Demolition
- Acquisition
- Disposition
- Clearance and demolition
- Homeowner Rehabilitation
- Historic Preservation
- Public Facilities
- Community Based Development Organizations
- Planning and Administration
- Public Services
- Fair Housing Activities



FFY16 – Landlord Engagement
Program Bridges to Housing
Stability, Inc. Educate
Landlords to find out why
hesitant to rent to Lowincome County residents.
Introduce ways to alleviate
risk to Landlord and to
overcome other obstacles
shared by the Landlords



## FAIR HOUSING CDBG Investment \$100,000



#### HOMEWORK CLUB

CDBG Award
Investment
\$30,000
Department of
Recreation and
Parks



## ROGER CARTER RECREATION CENTER

CDBG Investment \$200,000 annually



LEOLA
DORSEY
RESOURCE
CENTER/
SINGLE
EFFICIENCY
APARTMENTS
(SEA)

CDBG Investment \$250,000 in preconstruction costs.

#### CONTINUUM OF CARE (COC)

- CoC: National: \$1.95 billion to almost 7,600 programs
  - Maryland: \$48,235,071 to 194 programs
  - Howard County: \$785,410 for seven projects
- Continuum of Care:
  - "Is designed to promote communitywide commitment to the goal of ending homelessness by providing funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families..."

#### **EMERGENCY SOLUTIONS GRANT (ESG)**

- Maryland, FY16: \$1,056,568.00
- Howard County: \$127,199
- The ESG program provides funding to:
  - "Engage homeless individuals and families living on the street; Improve the number and quality of emergency shelters for homeless individuals and families; Help operate these shelters; Provide essential services to shelter residents; Rapidly re-house homeless individuals and families; and Prevent families and individuals from becoming homeless."

https://www.hudexchange.info/programs/esg/esg-requirements/

#### HOME INVESTMENT PARTNERSHIP FUNDS (HOME PROGRAM)

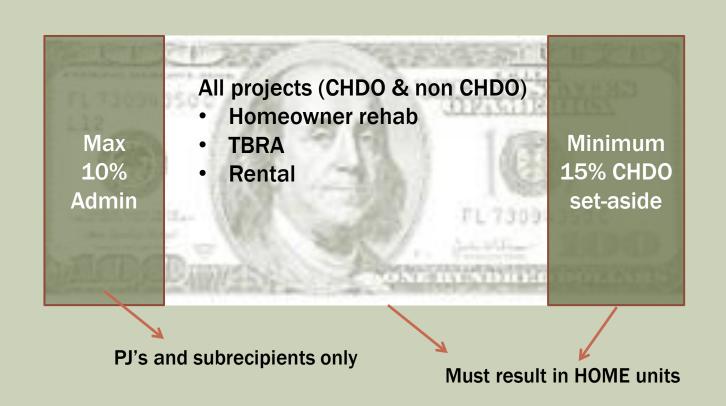
- The goal of HOME program funds is simply to create affordable housing units for **low**, **very low** and **extremely low** income persons in our communities.
- Low income = 80% AMI
- Very low income = 50% AMI
- Extremely low income = 30% AMI
- HUD encourages jurisdictions to
  - -leverage private/public partnership
  - expand the capacity of nonprofit housing providers
  - and to strengthen the ability of State and local governments to provide housing,



#### **USES OF HOME PROGRAM FUNDS**

- Acquisition
- Demolition
- New Construction
- Project Soft Costs
- Loan Guarantees
- Housing Rehab
- Down payment & Closing cost assistance
- Planning and Administration of the Program
- Broadband Infrastructure

#### PJ ANNUAL ALLOCATION BREAKDOWN



## COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)

- 15% of the HOME funds are reserved for CHDO
- To qualify as a CHDO, HUD has provided certain criterion such as;
  - Legal Structure; a CHDO should be organized under State law
  - Independence;
  - Accountability to the low-income community
  - Capacity and Experience
- Be designated as a 501 3(c) non-profit from the IRS
- Take on the role as **owner**, **developer or sponsor** of affordable housing for the community it serves

#### **HOME SUBSIDY**

Per 24CFR Pt92.250(b) of the HOME Rule, a PJ may not invest any more HOME funds, alone or in combination with other governmental assistance, than is necessary to provide quality affordable housing that is financially viable through the affordability period.

In addition, the PJ must ensure that the return to the owner or developer is reasonable and does not exceed the PJs established standards based on the size, type and complexity of the project."



#### AFFORDABILITY PERIODS

HOME Activity	HOME Investment Per Unit	Length of Affordabilty Period
Homebuyer * and rental housing acquistion and/or rehabilitation	Less than \$15,000 \$15,000 - \$40,000 More than \$40,000	5 years 10 years 15 years
New construction of rental housing  Refinancing of rental housing	Any \$ Any \$	20 years 20 years



HOME
PROGRAM
CHDO
PROJECT
HOME
Investment
\$398,000.00



#### BURGESS MILL STATION

Resulted in 11 HOME-assisted units Investment \$620,000



## THE COTTAGES AT GREENWOOD

9 HOME -Assisted HOMEBUYER UNITS

HOME Investment \$220,000

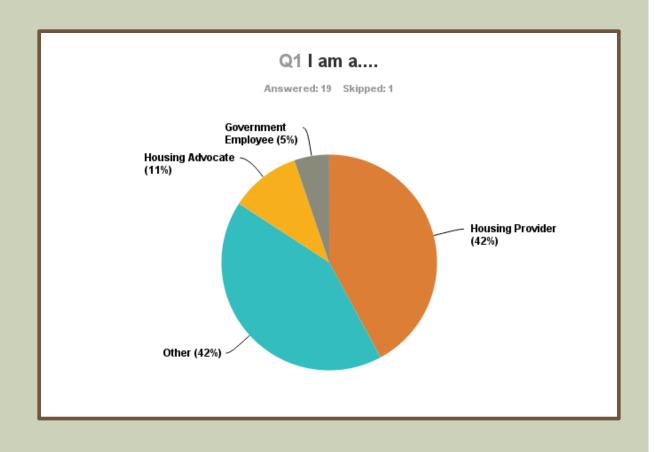
#### CODE OF FEDERAL REGULATIONS

- CDBG Program Rules: 24 CFR Pt 570
- HOME Program Rules: 24 CFR Part 92
- Continuum of Care Regulations: 24 CFR Part 578
- ESG Regulations: 24 CFR Part 576
- www.hudexchange.info
- www.hud.gov

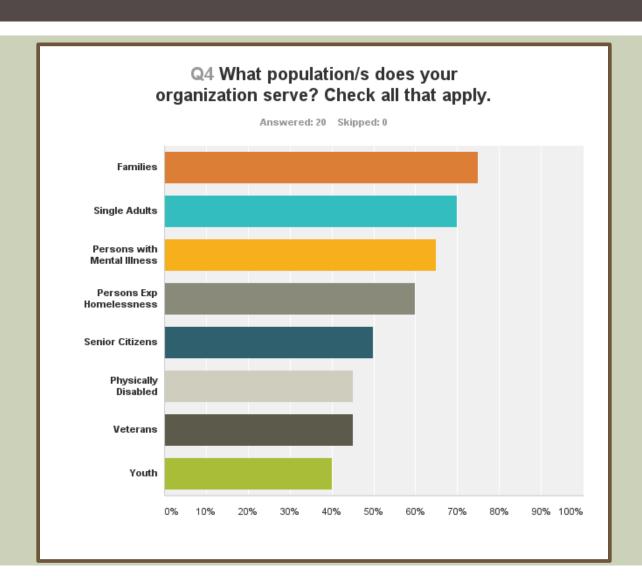


#### ANNUAL ACTION PLAN SURVEY RESULTS

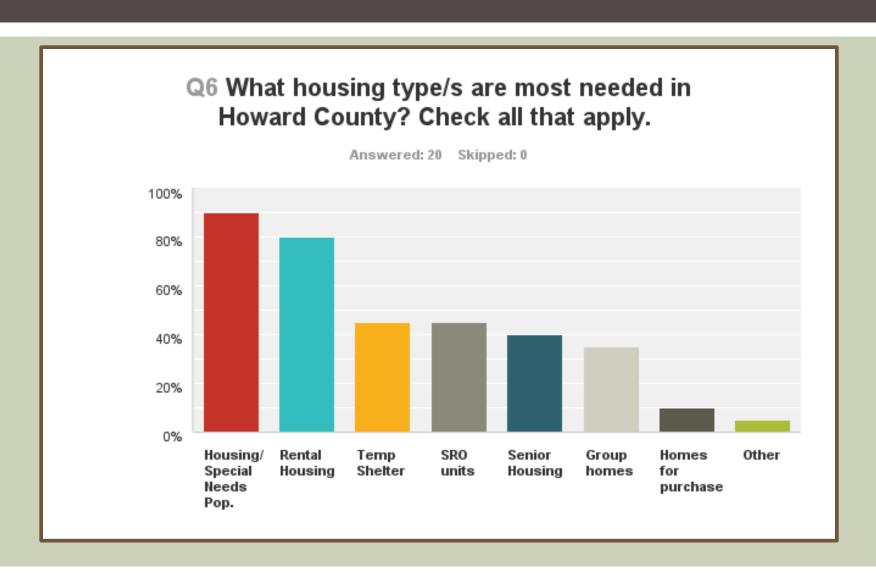
- 20 Respondents
- 95% worked with persons all throughout Howard County
- Respondent pool (see chart)



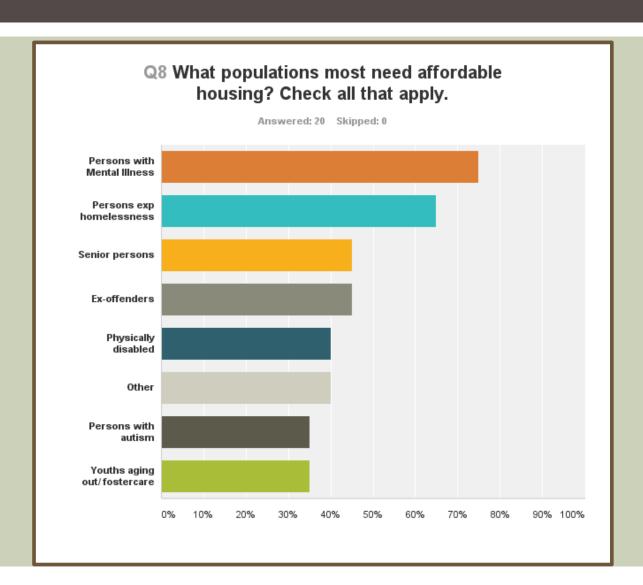
## POPULATIONS MOST SERVED BY RESPONDENTS



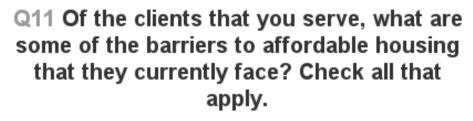
### HOUSING TYPE/S MOST NEEDED IN HOWARD COUNTY



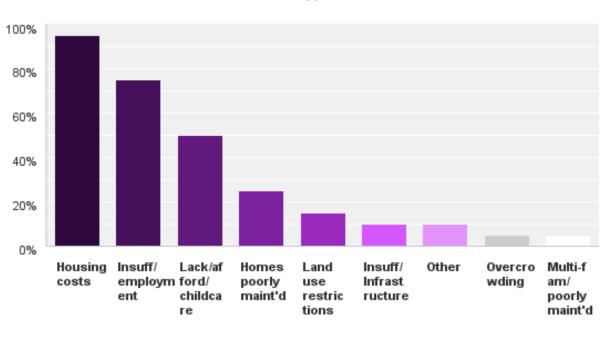
## POPULATION/S MOST IN NEED OF AFFORDABLE HOUSING



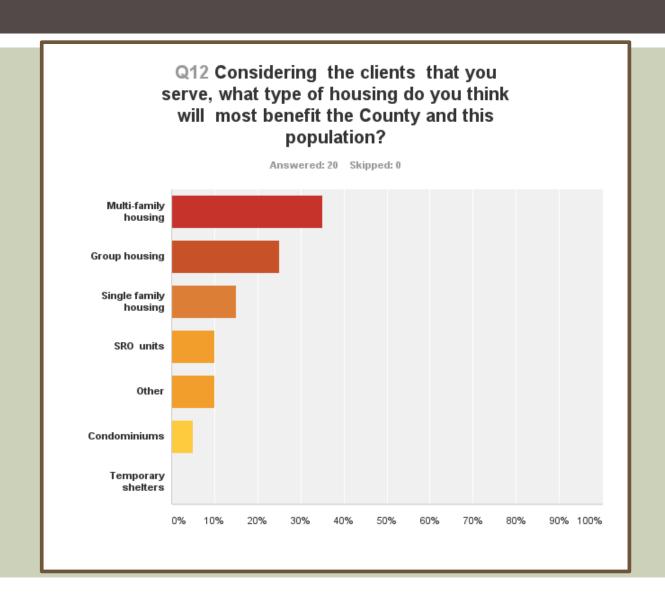
#### THE BIGGEST BARRIER IS....



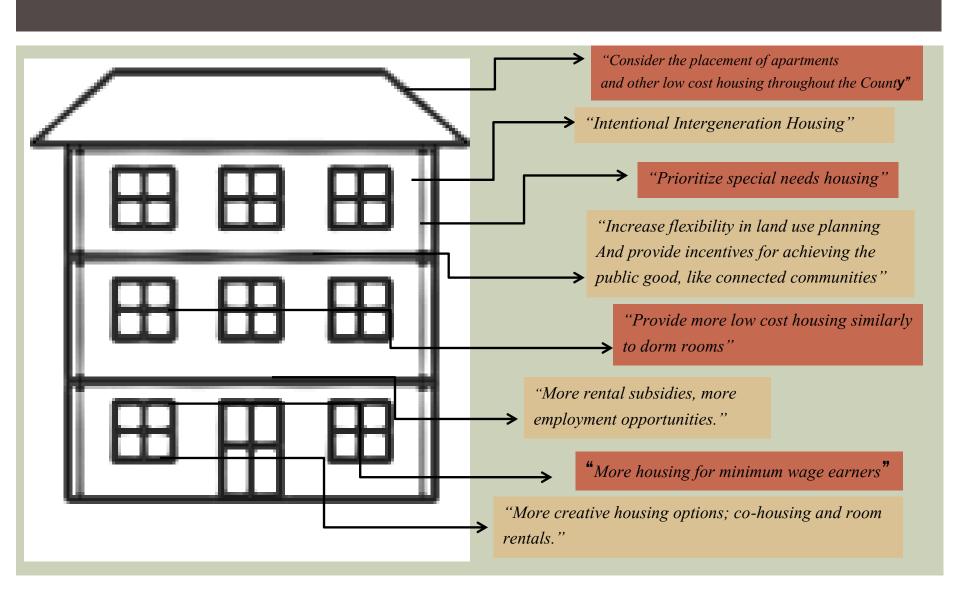




#### MOST BENEFICIAL HOUSING TYPE



#### IF I COULD I WOULD....



#### **APPLICATIONS**

- Due on January 27, 2017 @ 3:30pm
- 1 original and 3 copies
- All attachments are due with the application
- Late submissions will not be accepted!
- Grant Review Committee convenes on January 30,2017
- Recommendations made to Director on February 10,2017
- Conditional Letters in mid-May 2017 after County Council's approval

#### QUESTIONS???

